

# Training and Development: Its Influence on Employees Performance and Productivity – A Case Study of Visakhapatnam Steel Plant (RINL), Visakhapatnam.

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**Abstract-** Modern business firm's success or failure depends on the quality of its employees. Well-trained and highly developed employees are the secret to this performance. The goal of the analysis was, therefore, to examine the relationship between training and development in the Visakhapatnam steel plant (RINL) as well as employee efficiency and productivity. This article is empirical in nature. Primary sources from questionnaire responses collected the data for the report. Through statistical tools, the details have been reviewed to recognize the influence of training and development on the output and profitability of employees. There have been two training and development (Independent) and productivity and Profitability (Dependant) components of the study.

For the collecting of information, 80 questionnaires have been issued. To check the reliability and accuracy of the questionnaire, descriptive statistical tools were employed with the help of the SPSS statistical package. The aim was to determine how training and development has an impact on the efficiency and profitability of employees. Information have been collected and processed. The results showed that the variables had a strong connection, the Pearson correlation had been used in the analysis, and Cronbach Alpha was collected for each questionnaire. Relevant literature articles on the topic related to this work have also been reviewed.

Therefore, it was recommended that effective training programs and carefully set development plans should be provided to all employees to enable them to enhance their skills and upgrade their knowledge.

**Keywords – Employee Performance, Employee Productivity, Training, Development and Employees.**

## I. INTRODUCTION

In order to be competing and financially solvent, human capital needs to be given strong attention when organizations try to survive on the turbulent dynamic markets. Other factors, however, affect the success of organizations; they must have productive (i.e. efficient) employees. Furthermore, human capital-driven organizations rapidly see these skills and employee motivations as being invaluable for the sake of being sustainable on the market because of their intangible features. Organizations would also provide staff that will adapt to the increasingly evolving operating environment.

The principal aim of every organization is to increase its efficiency, but without the efficient production of employees it will never be done. As a Leadership Framework to address and correct challenges in organizational performance, the performance leadership system was implemented (Sharif 2002). A broad variety of changes have since been carried out in the financial sector, including an emphasis on success (Gleeson & Husbands 2001; Downs, Chadbourne & Hogan, 2000). Success implies the accomplishment of anything or mere consistency of function. The results of an organisation, the mechanism and person rates and the interrelationships between them determine the points of view of the organization.

Training and development systems are introduced in order to contribute to the overall goal of the enterprise because not only the organisation but also its people are benefited from these opportunities. Training and development boost

productivity for the company thus fostering more optimistic profit-orientation behaviors. Training and development enhance the awareness of the workers by helping to define the organization's goals. Training and development are described as the expected experience of learning which enables workers to perform jobs in the present and future. Improved performance of people involved in training and development programs is at the core of this program. Training is thus accomplished by learning and development means that the people acquire, conclude and use it as an organizational tool. As such, performance contributes particularly to the growth of the organization because it can apply combined skills and expertise through formation and development. Furthermore, the researchers received considerable attention from education and development and how it impacts employee performance in the business environment.

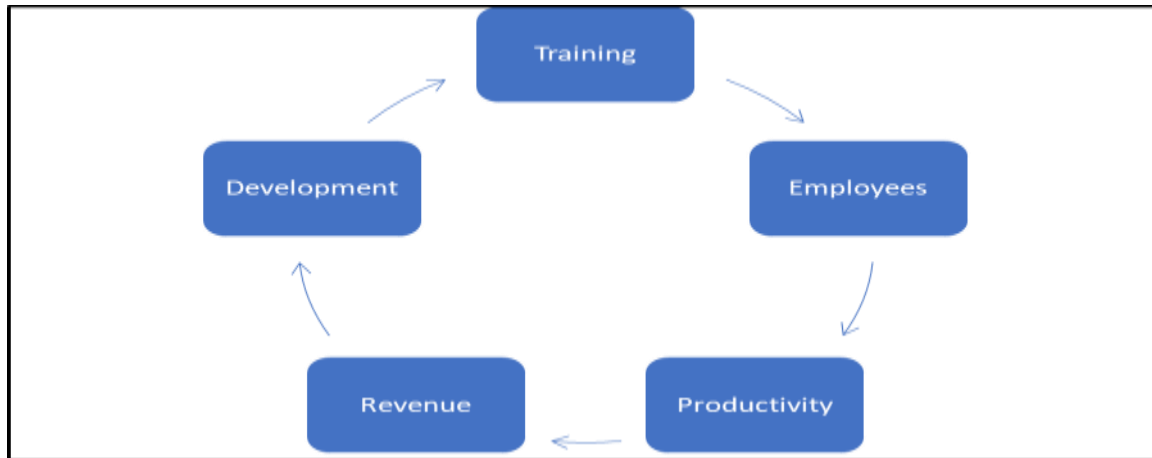


Fig 1: Training and Development Self – developed model.

## II. OBJECTIVES OF THE STUDY

The following are the objectives of the study

- Identifying employee perceptions about how training and development has worked to help them.
- identifying employee levels of expertise as enhanced by training and development.
- examining the contribution to individual performance and productivity from training and development.

## III. REVIEW OF LITERATURE

Paradise (2007) reported in its study that US companies invest more than \$126 billion per year alone on training and development for their employees. In an environment where there is high uncertainty, organizations with high risk tend to have a reliable competitive benefit over those without this knowledge of business and market intelligence (Jelena, 2007).

Knowledge therefore turns to fundamental capital that triggers development. However, the effectiveness of organisations relies on their professional and knowledgeable staff. Therefore, organizations must view ongoing training and development of their staff as invaluable in order to maintain sustainability. Training and development at all levels of employees is very important because the skills are eroded and obsolete and must be filled out over a period of time (Nishtha and Amit (2010).

Training is coordinated to enhance the quality and development of new and established workers through organisations. Trainings in Khawaja and Nadeem (2013) are seen as a systematic training and development approach, improving individuals, groups and organisations (Goldstein & Ford, 2002). This leads to knowledge or skills acquirement for growing purposes, by the series of activities undertaken by the organisation.

It relates to the well-being and success of human capital, culture and community as a whole. Training is an action to improve the quality of the organization and services in the strong competition, according to Manju & Suresh (2011) by improving employees' technical skills.

Training refers to activities for the learning of fresh knowledge or skills. To order to enhance their capabilities, companies involve workers with learning programmes. The creation of staff to the new operating climate (Sheri-lyne

2007) of Abdul Hameed (2011) is an extremely important and strategic imperative. Companies also ought to invest in on-going growth of employees, ensuring that workers and corporate performance are sustained (Khawaja & Nadeem 2013).

The quality with which items are generated is productivity as described in the Oxford dictionary (2007). The efficiency of workers however is the economic calculation of production per input unit. Net sales for total workers are reported (Rohan & Madhumita 2012). Thus, it is possible to determine employee productivity of the entire economy or industry.

The development of the concept of organizational learning is, according to Easterby-Smith (1999), essential to previously thinking that previous learning campaigns have a tendency to its commercial importance and lack empirical information on learning processes.

Strategically, the acquisition of knowledge, know-how, techniques and practices is a part of organizational learning, which uses formation and development as a response. Through people who acquire, infer and use such intellectual intangibles for organisation-wide training and development (Armstrong 2006), they can be translated into an organizational resource.

Education and development are structured learning experiences that teach people how to work more effectively both now and in the future. Sims (2002) emphasizes that training is focused on current employment, while development trains employees for potential future employment. Training and development strives ultimately to lead to the overall objective of the enterprise.

Training programs should concentrate on professional growth, development and the creation of employment. This is continuous training that encourages organisations, especially human capital, to continue to invest in and develop their skills for members of the organization (Sims 2006).

The goal is to learn skills and knowledge from an employee's viewpoint, as well as to achieve progression and a future. Training and development also contribute to the personal and professional development of employees in facilitating career changes. The art of acquiring knowledge, skills, competencies, behaviours and ideas retained or used; or a change in behavior by experiences (Maycunich 2000) could be defined as knowledge acquired by autonomic study, experience, or both.

Senge (1990) believes that learning has little to do with taking in information; rather it is a process that enhances capacity. Learning is about building the capacity to create that which one previously could not create. Senge (1990) argues that training has little to do with information; it is a capacity building operation. Training means building the ability to create what one was not able to create previously.

IV. RESEARCH METHODOLOGY AND DATA COLLECTION

In Sample size of the population means the total number of people drawn from the population. 125 questionnaires were distributed among the employees in order to achieve the objectives of the research. 108 questionnaires have been returned in response. The rate of response was 86%. The questionnaire was developed at 5-point Likert Scale (1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree and 5= Strongly Agree). The data were analyzed via SPSS to test the impact of the variables.

**Data Collection:**

The required information for the study was collected through questionnaire. The questionnaire used to allow the response of the respondents in a standard way, unbiased approach and objective oriented. The use of questionnaire provides the information to be presented in a numeric way. Questionnaire method also has several limitations, for example lackadaisical attitude. The necessary information was collected via questionnaire for the study. Collection of data. The questionnaire is used to allow a standard, unbiased and objective response by the respondents. The use of the questionnaire provides numerical information. Questionnaire method also has a range of constraints, such as lack of attention and lack of cooperation between respondents of respondents, non-attendance and lack of cooperation.

**Variables used in the study:**

Factor_1	Employees enhancement come through Training & Development
Factor_2	Performance and productivity increase due to the enhanced competency of the employees
Factor_3	Training and development teach the technique of performing a job to employees

Factor_4	With training and development job knowledge increase in employees
Factor_5	Training and Development brings positive attitude in employees
Factor_6	High morale employees give better performance
Factor_7	Training and development reduce the stress of the employees
Factor_8	Training and development enhance the skills of job of employees
Factor_9	Skilled employees' performance and productivity is more than the unskilled employees
Factor_10	Most of the employees consider training and development vital for job
Factor_11	Performance and productivity increase due to the ability of the employees
Factor_12	Training and development boost up the morale of the employees
Factor_13	Performance and productivity increase due to the technique of job
Factor_14	Training and development is essential for banks employees
Factor_15	T&D reduce consumption of time and cost and increase performance and productivity
Factor_16	Performance and productivity increase due to the positive attitude of employees
Factor_17	Competency level of employees increases due to T&D
Factor_18	T&D enhance the performance and productivity of the employees as well as of the organization
Factor_19	Most of the employers consider training and development waste of time and waste of money
Factor_20	Most of the employers give training to their employees

### Data Analysis:

#### Descriptive Statistics

The first output from the factor analysis is a table of descriptive statistics for all the variables under investigation. Typically, the mean, standard deviation and number of respondents (N) who participated in the survey are given. Looking at the mean, one can conclude that Factor\_4 (With training and development job knowledge increase in employees) is the highest mean value of 4.29, while Factor\_5 (Training and Development brings positive attitude in employees) is the lowest mean value of 3.22. It indicates that majority employees have the common opinion on Factor\_4. The Factor\_19 (Most of the employers consider training and development waste of time and waste of money) has the lowest standard deviation value of 0.398 and Factor\_3 (Training and development teach the technique of performing a job to employees) has the highest SD value of 1.467.

**Descriptive Statistics**

Variables	Mean	Std. Deviation	Analysis N
Factor_1	3.96	.966	108
Factor_2	3.59	1.223	108
Factor_3	3.42	1.467	108
Factor_4	4.29	.832	108
Factor_5	3.22	1.122	108
Factor_6	3.45	1.195	108
Factor_7	3.59	1.042	108
Factor_8	3.85	.873	108
Factor_9	3.51	1.098	108
Factor_10	3.64	1.322	108
Factor_11	3.63	1.204	108
Factor_12	4.08	.725	108
Factor_13	3.68	1.066	108
Factor_14	3.40	1.160	108
Factor_15	3.84	1.025	108
Factor_16	3.91	.756	108
Factor_17	3.50	1.329	108
Factor_18	3.78	1.363	108
Factor_19	4.19	.398	108
Factor_20	3.48	1.156	108

Source: Collected and Analyzed in SPSS V24.

**KMO and Bartlett's Test:**

Kaiser-Meyer-Olkin (KMO) and Bartlett's Test: It measures strength of the relationship among variables. The KMO measures the sampling adequacy which should be greater than 0.5 for a satisfactory to apply factor analysis. If any pair of variables have a value less than this considers dropping one of them from the analysis. The off-diagonal elements should all be very small (close to zero) in a good model. Looking at the table below, the KMO measure is 0.866. The general acceptance value to recommend factor analysis is 0.50 as minimum, values between 0.70 to 0.80 acceptable, and values above 0.9 are superb. Bartlett's test is another indication of the strength of the relationship among variables. This tests the null hypothesis that the correlation matrix is an identity matrix. An identity matrix is matrix in which all of the diagonal elements are 1 and all off diagonal elements are 0. From the same table, Bartlett's test of sphericity is significant That is, its associated probability is less than 0.05. In fact, it is actually 0.000, i.e. the significance level is small enough to reject the null hypothesis. This means that correlation matrix is not an identity matrix.

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.866
	Approx. Chi-Square	1910.577
Bartlett's Test of Sphericity	df	190
	Sig.	.000

**Communalities:**

The next item from the output is a table of communalities which shows how much of the variance in the variables has been accounted for by the extracted factors. For instance, over 96.0% of the variance in Factor\_6 while 70.9% of the variance in Factor\_3.

**Communalities**

Variables	Initial	Extraction
Factor_1	1.000	.884
Factor_2	1.000	.867
Factor_3	1.000	.709
Factor_4	1.000	.912
Factor_5	1.000	.871
Factor_6	1.000	.960
Factor_7	1.000	.871
Factor_8	1.000	.818
Factor_9	1.000	.748
Factor_10	1.000	.938
Factor_11	1.000	.848
Factor_12	1.000	.885
Factor_13	1.000	.741
Factor_14	1.000	.891
Factor_15	1.000	.885
Factor_16	1.000	.883
Factor_17	1.000	.935
Factor_18	1.000	.715
Factor_19	1.000	.892
Factor_20	1.000	.771

Extraction Method: Principal Component Analysis.

**Eigenvalue:**

The standardized variance associate with a particular factor. The sum of the eigenvalues cannot exceed the number of items in the analysis, since each item contributes one to the sum of variances.

**Total Variance Explained:**

The next item shows all the factors extractable from the analysis along with their eigenvalues, the percent of variance attributable to each factor, and the cumulative variance of the factor and the previous factors. From the output, there are 8 factors were significant and remaining factors were less significant.

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.150	20.752	20.752	4.150	20.752	20.752
2	3.591	17.954	38.706	3.591	17.954	38.706
3	2.358	11.790	50.496	2.358	11.790	50.496
4	1.872	9.360	59.856	1.872	9.360	59.856
5	1.540	7.700	67.556	1.540	7.700	67.556
6	1.371	6.857	74.413	1.371	6.857	74.413
7	1.117	5.587	80.000	1.117	5.587	80.000
8	1.025	5.123	85.123	1.025	5.123	85.123
9	.771	3.854	88.977			
10	.605	3.023	92.000			
11	.514	2.572	94.572			
12	.335	1.676	96.248			
13	.230	1.148	97.396			
14	.152	.761	98.157			
15	.142	.708	98.865			
16	.081	.403	99.267			
17	.068	.338	99.606			
18	.043	.214	99.820			
19	.022	.109	99.929			
20	.014	.071	100.000			

Extraction Method: Principal Component Analysis.

**Scree Plot:**

The scree plot is a graph of the eigenvalues against all the factors. The graph is useful for determining how many factors to retain. The point of interest is where the curve starts to flatten. It can be seen that the curve begins to flatten after the factors 8. Hence, eight factors were retained in the study for further analysis.



**Component (Factor) Matrix:**

The table below shows the loadings of the eleven variables on the four factors extracted. The higher the absolute value of the loading, the more the factor contributes to the variable. The gap on the table represent loadings that are less than 0.5, this makes analyzing the table easier. Here the researcher suppressed all loadings less than 0.5.

**Component Matrix<sup>a</sup>**

	Component							
	1	2	3	4	5	6	7	8
Factor_10	.865							
Factor_11	.738							
Factor_5	.725							
Factor_2	.691							
Factor_3	.560							
Factor_15		.765						
Factor_16		.633						
Factor_12		.573						
Factor_9		.506						
Factor_8		.495						
Factor_6		.528						
Factor_1			.583					
Factor_7		.508						
Factor_14				.619				
Factor_4		.536						
Factor_18					.347			
Factor_17					.776			
Factor_13						.561		
Factor_20								.441
Factor_19							.624	

Extraction Method: Principal Component Analysis.

a. 8 components extracted.



**Rotated Component (Factor) Matrix:**

The idea of rotation is to reduce the number factors on which the variables under investigation have high loadings. Rotation does not actually change anything but makes the interpretation of the analysis easier. Factors 11, 10, 9, 3 were loaded on Factor 1. Factors 6, 7, 16 were loaded on Factor\_2, Factors 1, 15 and 12 loaded on Factor\_3. Factors 2 and 5 were loaded on Factor\_4. Factor 8, 4 and 14 were loaded on Factor\_5. Factors 20 and 13 were loaded on Factor\_6. Factor\_17 were loaded on Factor\_7 and finally Factor 19 and 18 were loaded on Factor\_8. These factors can be used as variables for further analysis.

**Rotated Component Matrix<sup>a</sup>**

	Component							
	1	2	3	4	5	6	7	8
Factor_11	0.861							
Factor_10	0.797							
Factor_9	0.656							
Factor_3	0.539							
Factor_6		0.941						
Factor_7		0.894						
Factor_16		0.571						
Factor_1			0.896					
Factor_15			0.782					
Factor_12			0.627					
Factor_2				0.846				
Factor_5				0.845				
Factor_8					0.834			
Factor_4					0.681			
Factor_14					0.524			
Factor_20						0.737		
Factor_13						0.661		
Factor_17							0.907	
Factor_19								0.852
Factor_18								0.501

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 32 iterations.

#### V. FINDINGS OF THE STUDY

1. The study shows that Training and Development programs and Employee performance are interlinked in the select banking industry.
2. The analysis shows that Training and Development programs are strongly influencing the employee performance in the select Banking Industry.

3. It is found from the above study that Training program had certainly increased the performance levels of the select bank employees.
4. Employees believes that training and development programs enhance job knowledge.
5. Employees has the lowest attitude on training and development
6. Majority of the employees opine that training and development programs are the waste of the time.
7. With the help of the training and development programs employees performs the job in a productive way.

#### VI. CONCLUSION OF THE STUDY

The research findings show a strong connection between training and development and the success of workers in the company. In this sense, there is a strong correlation between teaching, growth and success of employees. Organizations who invest in training and development programs in their workplace capabilities would certainly benefit from the levels of productivity of their employees

It is very significant for organizations, in order to maximize employee performance, to improve staff skills continuously. This is only possible through pursuing training and development. Unqualified employees are well established to not be up to the mark and this will certainly influence the organization's overall performance. Since training and development activities play an important role in employee performance and efficiency, managing the environment which requires constant education, is crucial for companies. Training and development firms tend to have a perfect corporate image.

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